

STUDENT ID NO

--	--	--	--	--	--	--	--	--	--



MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2021/2022

UTS2612 – INTERNATIONAL TRADE AND SHIPPING LAW
(All Sections / Groups)

02 DECEMBER 2021
Reading Time: 2.45p.m. – 3.00p.m.
(15 Minutes)
Answering Time: 3.00p.m. – 6.00p.m.
(3 Hours)

INSTRUCTIONS TO STUDENT

1. Students will have **fifteen minutes** during which they may read the paper and make rough notes **ONLY** in the question paper. Students then have the remaining **THREE HOURS** in which to answer the questions.
2. This Question paper consists of 3 pages with 5 Questions only.
3. This Question paper consist of 2 Parts (Part A and Part B). Attempt **ONE** question only in Part A and all **THREE** questions in Part B. All questions carry equal marks and the distribution of the marks for each question is given.
4. Students are only allowed to bring in a **CLEAN** and **ORIGINAL COPY** of the following statutes into the exam venue:

- i. Merchant Shipping Ordinance 1952
- ii. Carriage of Goods by Sea Act 1950
- iii. Sale of Goods Act 1957
- iv. Reciprocal Enforcement of Judgments Act 1958
- v. United Nations Convention on Contracts for the International Sale of Goods (CISG)
- vi. Marine Insurance Act 1906 (UK)
- vii. London Salvage Convention 1989
- viii. Rules of Law with respect to Assurances and Salvage at sea (Brussels 1910)

“Clean” is defined to include no tagging, no annotation either by the publisher or anyone else, and no erased marking. Highlighting and underlining are also prohibited.

5. Please write all your answers in the Answer Booklet provided.

PART A:**ANSWER ANY ONE (1) QUESTION ONLY****QUESTION 1A**

‘The United Nations Convention on Contracts for International Sale of Goods 1980 (CISG) has been successful in unifying international sales laws’. Discuss the above statement with reference to the sphere of application of the Convention. Support your answer with decided cases.

(Total: 25 marks)**OR****QUESTION 1B**

- (i) Messrs Joseph & Associates were contacted by the Tumasek Shipping Company for the registration of one of its ships in Malaysia.

As an admiralty lawyer of Messrs Joseph & Associates, advise Tumasek Shipping Company on the ship registration in Malaysia.

(10 marks)

- (ii) Discuss the factors that to be considered in forming the shipbuilding contracts. Support your answer with decided cases and relevant legal principles.

(15 marks)**(Total: 25 marks)****Continued...**

PART B:**ANSWER ALL QUESTIONS****QUESTION 2**

Smith Chartering and Imports Sdn Bhd (SCI) chartered the M.V Vikings, a general cargo vessel from George Shipping Bhd (GSB) for a voyage from Palembang Port (South Sumatra, Indonesia) to Tanjung Bruas Port (Tanjong Kling, Malacca, Malaysia). SCI operates a business of importing commodities from Indonesia into Malaysia. The M.V.Vikings estimated time of arrival (ETA) at Palembang was 8.30 a.m. on 9 September 2021 and 'ordinary freight' was payable at the port of discharge. The charterer promised to load the following goods on board the vessel: 5000 barrels of molasses, 100 logs of tropical hardwood, and 200 bags of sugar. The M.V. Vikings met her ETA by arriving at Palembang as scheduled. She commenced loading soon thereafter. Later in the day, after all the barrels of molasses and tropical logs had been loaded on board, a very bad tropical storm hit Palembang Port. The sea swells were between two (2) to five (5) metres, and there were winds equivalent to force seven (7) and eight (8) on the Beaufort scale. The Palembang Port Authority (PPA) ordered, on the M.V. Vikings out of the port. The PPA was concerned that in a small enclosed space, the vessel could have broken free from her anchorage in the heavy tropical storm and caused damage to the dock or berths in a subsequent collision. The bad weather was expected to last for the next three days. The master of the M.V. Vikings, Captain William, decided to sail to Tanjung Bruas Port with whatever goods that were on board. The M.V. Vikings arrived at her destination and discharged the goods there the next day.

Based the above facts, advise GSB, if any.

(Total: 25 marks)

QUESTION 3

- (i) What is meant by “doctrine of proximate causation” in relation to the liability of the insurer?

(7 marks)

- (ii) Insurable interest is the principle which governs the legal right to insure. Illustrates what this means, covering in detail the application of this principle in relation to marine insurance.

(7 marks)

- (iii) With reference to the provisions of the Malaysian Insurance Act 1996, demonstrate the principles of insurance relating to a time policy and a voyage policy. Your answers should incorporate Marine Insurance Act 1906 of the United Kingdom.

(7 marks)

- (iv) A vessel is insured for 12 months as at 1st January. During the course of trading, the ship-owner becomes aware that the vessel is unseaworthy due to leaking hatch covers but elects not to repair. In November, the vessel runs aground as a result of negligent navigation. Would the fact that the vessel was unseaworthy at the time of the grounding enable the insurer to reject the claim in respect of the grounding?

(4 marks)

(Total: 25 marks)

QUESTION 4

Shipyards Co., a company incorporated under the laws of United Kingdom entered into a contract to build an oil-tanker for Super-Led Berhad, a company incorporated under the laws of Malaysia. Their contract stipulated that in case of any dispute the parties are to litigate the matter in the High Court of Hong Kong. After the contract was completed and Shipyards Co. had begun construction, the global economy was affected by the COVID-19 Pandemic due to the shortage of manpower. Super-Led Berhad were unable to secure oil and gas transportation contracts from other oil and gas companies and thus filed for winding-up. As such, Super-Led Berhad cancelled the shipbuilding contract with Shipyards Co. Shipyards Co., then sued Super-Led Berhad in Hong Kong according to the provisions of the contract. The High Court judge in Hong Kong rendered RM50 million Ringgit judgment in favour of Shipyards Co. Due to Super-Led Berhad's winding-up proceeding, Super-Led Berhad no longer has any assets in Malaysia. However, based on the creditor's inventory list, Super-Led Berhad still has a bank account in a Malaysian bank worth RM20 million Ringgit and an office building in Petaling Jaya worth RM10 million Ringgit. Shipyards Co has retained you as its Malaysian Counsel.

Advise Shipyards Co., on how it can, if possible enforce the Hong Kong Judgment in Malaysia.

(Total: 25 marks)

End of Page.